

City of Durham
AUDIT SERVICES OVERSIGHT COMMITTEE
Durham, North Carolina

BY-LAWS

ARTICLE I
NAME

SECTION 1. The name of this organization shall be "Audit Services Oversight Committee" (hereafter referred to as ASOC or the committee).

ARTICLE II
PURPOSE

SECTION 1. This committee has been established as an advisory committee to the Department of Audit Services and to the City Manager.

The functions of the Audit Services Oversight Committee shall be:

- (a) To provide oversight responsibilities of the audit function;
- (b) To serve in an advisory capacity to the City Manager;
- (c) To facilitate communications among the Council, City Manager, and Director of Audit Services;
- (d) To ensure internal controls are in place and implemented;
- (e) To ensure City management implements report recommendations;
- (f) To review annual audit plan and make recommendation to City Council for approval;
- (g) To review audit budget and make recommendation to Council for approval;
- (h) To make recommendations for the selection of the external auditor; and
- (i) To review the City's CAFR, management letter and management's response.

ARTICLE III
MEMBERSHIP

SECTION 1. The City Council of the City of Durham shall appoint 2 City Council Members and 3 members of the business community to be voting members of the ASOC. The members will include a certified public accountant and a person with experience in the finance industry. The City Council shall also appoint one City Council Member to be an alternate member of the ASOC. The City Manager shall be an ex-officio non-voting member of the ASOC.

SECTION 2. Members from the business community shall be appointed for a term of 4 years. The terms of the City Council Members shall be consistent with their terms of election.

SECTION 3. Except to the extent otherwise provided in the Bylaws, the alternate may participate in all proceedings of the ASOC, including attendance at closed sessions, to the same extent as the five regular members. The alternate may vote only when a member (excluding the City Manager) is absent. The expression “voting members” excludes (i) the alternate except for the times that the alternate may vote, and (ii) the City Manager.

ARTICLE IV OFFICERS

SECTION 1. ***Enumeration of Officers.*** The officers of the ASOC shall be a Chairman, Vice-Chairman, and Secretary. They shall do the customary work of such officers and shall be unpaid.

SECTION 2. ***Election of Officers and Term of Office.*** The officers shall each be elected at the annual meeting, take office immediately upon election, and serve until a successor is elected at the next annual meeting. The ASOC, by April 1st of each year, shall appoint the Nominating Committee, composed of not less than 3 voting members. The Nominating Committee will prepare a slate of nominees for offices of the ASOC and will make its report to the ASOC at the annual meeting. Elections shall be by ballot, unless all voting members present at the meeting waive the ballot, in which case the vote shall be without a ballot. The ballots shall be made public to the extent required by law. No officer shall serve more than 2 consecutive terms in the same office.

SECTION 3. Vacant terms of officers may be filled through action taken by the ASOC.

ARTICLE V RESERVED

ARTICLE VI RESIGNATIONS

SECTION 1: In the event that a member chooses to resign from the ASOC, such member should notify the Chairman, in writing. The Chairman will then immediately notify the members of the ASOC of any such resignations. The resignation shall be effective when the notification is received by the Chairman unless the notification specifies a later time.

ARTICLE VII ATTENDANCE

SECTION 1. If a member of the Audit Services Oversight Committee will be unable to attend a regularly scheduled meeting of the Committee, the member shall notify the Secretary or the City Clerk prior to the time of the meeting. The ASOC Secretary shall then record such absences as excused. Any other absence is unexcused.

SECTION 2. If a member has 2 consecutive unexcused absences from regularly scheduled meeting of the ASOC, the Secretary shall notify the ASOC Chairman of this. The ASOC Chairman shall then call the absences to the member’s attention and encourage said member to actively participate on the ASOC. If the member has two more consecutive unexcused absences after the above, the ASOC Chairman shall notify the City Clerk of the member’s

lack of attendance at ASOC meetings, so that the City Council may take whatever action it deems appropriate.

- SECTION 3.** If a member is absent from more than one-third (1/3) of the regularly scheduled meetings during any July 1 – June 30 time period, it shall be the policy of the City Council, exercisable in its discretion, to remove that appointee, in the absence of showing good cause, and to make another appointment. The Council may remove any member at any time, in its discretion.

ARTICLE VIII QUORUM

- SECTION 1.** Three members, including the alternate but excluding the City Manager, shall constitute a quorum.

ARTICLE IX MEETINGS

- SECTION 1.** At a minimum, the ASOC will meet on a quarterly basis. All meetings will be open to the public, to the extent required by N.C.G.S. 143-318.10.

- SECTION 2:** The ASOC Secretary will keep minutes of each meeting and offer them for Committee approval as the first item on the subsequent meeting agenda. Whenever possible, such minutes will be distributed to Committee members in draft form within a reasonable time after the meeting and in advance of the subsequent meeting. A copy of the approved minutes will be submitted to the Audit Services Department.

- SECTION 3.** ***Annual Meeting.*** There shall be an annual meeting of the ASOC during June at the time and place to be determined by the Committee.

- SECTION 4.** ***Regular Meeting.*** Regular meeting dates, times, and places shall be determined by the committee. All members will receive 5 days written notice of any cancellations or changes in the regular meeting time or date or if the location of the meeting is changed.

- SECTION 5.** ***Special Meeting.*** A special meeting of the ASOC may be called by the Chairman, or Vice-Chairman in the absence of the Chairman, or by a written request to the Secretary by 2 voting members of the ASOC. Five days written notice of all special meetings shall be given to the members. Such notice shall state the time, place, and purpose of the meeting.

- SECTION 6.** ***Notices of Regular and Special Meetings.*** Notices of meetings shall be given in accordance with N. C. G. S. 143-318.12.

- SECTION 7.** ***Voting.*** Unless the Bylaws indicate otherwise, a majority of the voting members present and voting, with a quorum present, shall be sufficient for action.

ARTICLE X RESERVED

ARTICLE XI
AMENDMENTS

- SECTION 1.** The Committee may recommend that the City Council approve changes to these By-Laws by a two-third (2/3) vote of the voting members present and voting at the annual meeting, or a special meeting called for the purpose, or a regular meeting, provided that in any of those cases the amendments shall have been submitted to the membership in writing at least 2 weeks in advance of the meeting. The City Council may change these By-laws in its discretion without regard to whether the Committee has recommended the change.
- SECTION 2.** These bylaws are subject to change by the Committee, with subsequent approval by the City Council.

Amended January 5, 2012
Agenda Item #23